

Message Text

SECRET

PAGE 01 MANAGU 04022 01 OF 02 291702Z
ACTION ARA-14

INFO OCT-01 ISO-00 PM-05 NSC-05 SP-02 SS-15 CIAE-00
INR-10 NSAE-00 DODE-00 /052 W
-----005846 291829Z /43
R 282230Z AUG 78
FM AMEMBASSY MANAGUA
TO SECSTATE WASHDC 7606

S E C R E T SECTION 01 OF 02 MANAGUA 4022

E.O. 11652: GDS
SAGS: PINS, PINT, NU
SUBJECT: AMBASSADOR'S CONVERSATIONS WITH POLITICAL LEADERS

SUMMARY. RECENTLY, AMBASSADOR ENGAGED IN A SERIES OF CONVERSATIONS WITH LEADERS OF OPPOSITION AND GON. TWO OF THESE ARE REPORTED BELOW. THEY SERVE TO PLACE IN FOCUS THE CURRENT STATE OF NICARAGUAN POLITICS. END SUMMRY.

1. DURING A CONVERSATION WITH ROBERTO INCER BARQUERO (HEAD OF THE CENTRAL BANK AND A PLAUSIBLE LIBERAL PRESIDENTIAL CANDIDATE), INCER ASKED THE AMBASSADOR FOR AN EXPLANATION OF USG POLICY HERE AND, AT THE SAME TIME, EXPRESSED HIS THOUGHTS ON SOMOZA'S OBJECTIVES AND SOURCES OF STRENGTH. INCER'S THESIS WAS THAT THERE EXISTS WITHIN THE GN AND THE LIBERAL PARTY (PLN) A POPULIST SENTIMENT WHICH HAS MADE THE PLN HISTORICALLY MORE PROGRESSIVE THAN THE CONSERVATIVE PARTY (PCN), AND, THEREFORE, MORE POPULAR. SOMOCIXM HAS BEEN SUPPORTED AS A RALLYING POINT FOR ECONOMIC PROGRESS EVEN THOUGH IT WAS LINKED TO CORRUPTION. AN ANTI-COMMUNIST, PRO-U.S. SENTIMENT HAS PREDOMINATED. GIVEN SOMOZA'S CONTROL OVER THE GN AND OVER THE GON AND PLN MACHINERY, IT WILL BE VERY HARD TO DEFEAT HIM UNLESS THE U.S. DESTABILIZES THE SITUATION OR SOME ACT OF GOD OCCURS.

2. INCER FELT THAT SOMOZA'S OBJECTIVE IS TO REPLICATE IN
SECRET

SECRET

PAGE 02 MANAGU 04022 01 OF 02 291702Z

A MODERN CONTEXT THE SCHICK EXPERIMENT (RENE SCHICK WAS PRESIDENT PRIOR TO SOMOZA'S ELECTION IN 1967. SCHICK DIED OF NATURAL CAUSES DURING HIS TERM.) DURING THE SCHICK ADMINISTRATION, THE SOMOZAS DID NOT CONTROL THE ADMINISTRATION OF THE GON, BUT SOMOZA DEBAYLE CONTROLLED THE GN. THE SCHICK ADMINISTRATION, COMING AS IT DID AFTER CASTRO'S GAINING POWER IN CUBA, WAS ABLE TO DISGUISE SOMOZA FAMILY

RULE AND "CONTINUISMO" AND PERMIT GENERAL SOMOZA DEBAYLE TO BECOME PRESIDENT AFTER SCHICK WITHOUT WIDESPREAD OPPOSITION. SOMOZA IS AGAIN ATTEMPTING TO EMPLOY THIS FORMULA OF "SOMOCISM WITHOUT SOMOZA." THE SCENARIO, ACCORDING TO INCER, IS AS FOLLOWS: SOMOZA IN 1981 RELINQUISHES THE PRESIDENCY AND DIRECT CONTROL OF THE GN. HOWEVER, "TACHITO" REMAINS WITHIN THE GN AS DE FACTO HEAD, GUARANTEEING SOMOZA FAMILY CONTROL AS LOYALTY WOULD ACCRUE TO HIM. SOMOZA DEBAYLE WOULD OVERSEE EVENTS FROM MONTELIBAR (HIS HACIENDA ON THE PACIFIC OCEAN). AS FORMER PRESIDENT, SOMOZA DEBAYLE WOULD RETAIN CONTROL OF THE PLN (I.E., CONGRESS) AND HAVE SOMEONE (E.G. QUINTANA--CURRENT FORMIN) AS PRESIDENT--SERVING AS ADMINISTRATOR AND DIFFUSING ANTO-SOMOZA SENTIMENT. THROUGH THIS MECHANISM, SOMOZA WILL BE SURE HIS POLITICAL AND ECONOMIC INTERESTS ARE PROTECTED WHILE MINIMIZING ANTI-SOMOZA, ANTI-"CONTINUISMO" FEELINGS, OPENING THE ROAD FOR SOMOZA PORTOCARRERO'S RISE TO THE PRESIDENCY.

3. PART OF THE PROBLEM FOR SOMOZA IS THE CONSEQUENCE OF FORCES UNLEASHED BY THE 1972 EARTHQUAKE, INCER BARQUERO SAID. THE APPEARANCE OF UNLIMITED U.S. AND INTERNATIONAL FINANCING FOR RECONSTRUCTION (I.E., USG "GREEN LIGHT") AND LOCAL BUSINESS SECTOR "GREEN LIGHT", IN THE FORM OF SUPPORT, GIVING HIM EXTRAORDINARY LEGAL POWERS, PLUS DIVISION AMONG PCN LEADERS LEADING TO EROSION OF SUPPORT FOR AGUERO AS A PACTIST AFTER PART OF THE SPOILS, ENCOURAGED SOMOZA'S HEAVY HANDED-
SECRET

SECRET

PAGE 03 MANAGU 04022 01 OF 02 291702Z

NESS. IN THIS POST-EARTHQUAKE "EUPHORIA" THE GON IMPOSED A STATE OF SIEGE WITH ITS RESULTANT CORRUPTION AND MIS-MANAGEMENT. THE STATE OF SIEGE WAS DELIBERATELY MAINTAINED TO PERMIT CORRUPTION TO CONTINUE, AND PARADOXICALLY, THE INSTITUTIONS BECOMING MOST CORRUPT WERE THE AUTONOMOUS, MODERN INSTITUTIONS PROMOTED BY USAID (E.G., BAVINIC--THE HOUSING BANK, INFONAC--THE DEVELOPMENT INSTITUTE). THIS CORRUPTION ANTAGONIZED THE BUSINESS SECTOR AND HAD LED THE GON TO VIRTUAL BANKRUPTCY. INCER SAID HE PERSONALLY CONFRONTED SOMOZA LAST NOVEMBER, BUT REMAINED IN THE GON BECAUSE SOMOZA PROMISED CHANGES IN THE CABINET AND AUTONOMOUS INSTITUTIONS WHICH WOULD IMPROVE EFFICIENCY. INCER FELT THAT THESE DEVELOPMENTS PLUS THE COOLING OF USG-GON RELATIONS WERE DESTABILIZING THE SITUATION.

4. THE AMBASSADOR REPLIED THAT USG POLICY WAS NOT TO OVERTHROW THE GON BUT TO CONTROL AID TO PREVENT THE GON FROM "USING" THE USG AND CREATING THE APPEARANCE OF USG SPONSORSHIP OF CORRUPT INSTITUTIONS. UNFORTUNATELY AT TIMES USG NORMAL BUREAUCRATIC INTERNAL MECHANISMS INPEDED OPTIMAL FLEXIBILITY AND CONTROL OF OUR LINK WITH LOCAL CORRUPT INSTITUTIONS.

SECRET

NNN

SECRET

PAGE 01 MANAGU 04022 02 OF 02 291803Z
ACTION ARA-14

INFO OCT-01 ISO-00 PM-05 NSC-05 SP-02 SS-15 CIAE-00
INR-10 NSAE-00 DODE-00 /052 W
-----006351 291828Z /44

R 282230Z AUG 78
FM AMEMBASSY MANAGUA
TO SECSTATE WASHDC 7607

S E C R E T SECTION 02 OF 02 MANAGUA 4022

5. ALBERTO CHAMORRO (BROTHER-IN-LAW OF ALFREDO PELLAS, SCION OF THE WEALTHIEST AND MOST TRADITIONAL FAMILY IN NICARAGUA, THE EPITOMY OF UPPER-CLASS NICARAGUA), KINGMAKER WITHIN THE PCN DUE TO HIS FINANCIAL RESOURCES, ASKED THE AMBASSADOR FOR AN APPOINTMENT BECAUSE OF HIS CONCERN OVER THE CURRENT POLITICAL SITUATION. CHAMORRO CRITICIZED THE "EMOTIONALISM" OF THE OPPOSITION AND THE INCREASED STRENGTH OF THE FSLN. APPEALING TO THE AMBASSADOR'S PERSONAL PRIDE, HE SAID THE AMBASSADOR HAS THE OPPORTUNITY OF SOLVING THE PROBLEM HERE. WHAT IS NEEDED IS FOR THE AMBASSADOR TO MEET WITH HIM, PELLAS AND EDUARDO MONTEALEGRE TO LINE UP THE LARGE FINANCIAL SECTOR WHICH WOULD BE PREPARED TO FINANCE THE DEMOCRATIC OPPOSITION. THIS WOULD BE FOLLOWED BY MEETINGS WITH ALL PCN FACTIONS, THE LIBERAL FACTIONS IN UDEL, AND THE MDN. IF THESE WOULD AGREE TO NEGOTIATE A COMPROMISE WITH SOMOZA, THIS WAS ALL THAT WAS NECESSARY TO BEGIN DIALOG AND A PEACEFUL NON-COMMUNIST SOLUTION.

6. THE AMBASSADOR RESPONDED THAT, INDIVIDUALLY AND SOCIALLY HE WOULD BE PLEASED TO MEET WITH ANYONE, BUT USG POLICY IS NOT TO BE THE ARCHITECT OF ANY SPECIFIC PLAN. THEREFORE, THE AMBASSADOR HAD RESERVATIONS ABOUT THE POSSIBILITY OF SUCH MEETINGS. CHAMORRO SAID THAT THE USG COULD NOT ABDICATE ITS LEADERSHIP ROLE. SO MUCH DISTRUST EXISTED THAT WITHOUT GUARANTEES OR ACTIVE
SECRET

SECRET

PAGE 02 MANAGU 04022 02 OF 02 291803Z

MEDIATION BY THE USG AND, POSSIBLY THE ARCHBISHOP, IT WOULD BE IMPOSSIBLE TO ESTABLISH ENOUGH TRUST TO BEGIN NEGOTIATIONS. THE AMBASSADOR ASKED WHO COULD LEAD THE OPPOSITION. SACASA HAD SUGGESTED COMPROMISE AND NEGOTIATION, THERE HAD BEEN ARTICLES IN LA PRENSA BY ALBERTO SABORIO (PCN DEPUTY) AND HUMBERTO BELLI (NOTED SOCIOLOGIST) SUPPORTING A COMPROMISE. COULDN'T CHAMORRO SPONSOR MEETINGS AMONG THESE PEOPLE AND HELP ORGANIZE THE OPPOSITION? CHAMORRO RESPONDED THAT OPPOSITION FACTIONS WERE SO DIVIDED AND DISTRUSTFUL THAT THE COORDINATION OF THE ARCHBISHOP AND THE EMBASSY WAS REQUIRED TO MAKE A START.

7. THE AMBASSADOR ASKED IF THERE WAS ANY PERSON WHO COULD BECOME A TRUE LEADER OF A UNIFIED OPPOSITION. FOR EXAMPLE, WOULD RAMIRO SACASA (MLC) BE ACCEPTABLE AS A LEADER IN ANY NEGOTIATION? CHAMORRO SAID NO, NOT WITHOUT OUTSIDE SUPPORT. THE PCN, HE SAID WAS FACING TREMENDOUS PROBLEMS BECAUSE EMILIO ALVAREZ MONTALVAN (LEADER OF THE AUTHENTIC FACTION) WAS DEMANDING THAT THE PCN DEPART THE GON AS A CONDITION OF CONSERVATIVE UNITY. IN THE ABSENCE OF ANY PLAN, THE OFFICIAL PCN WAS UNWILLING TO GIVE UP ITS ROLE IN THE GON BECAUSE IT COULD BE COUNTERPRODUCTIVE TO ACHIEVING COMPROMISE. CHAMORRO PROMISED TO KEEP IN TOUCH WITH THE AMBASSADOR AS EVENTS DEVELOPED.

8. COMMENT: THESE CONVERSATIONS ARE INDICATIVE OF THE BELIEF THAT SOMOZA WISHES TO REMAIN IN POWER AND THE DIVISIVENESS AND LACK OF STRENGTH OF THE MODERATE OPPOSITION. ULTIMATELY, IT SEARCHES EXTERNAL SOURCES (I.E., THE CHURCH AND USG) TO UNITE IT AROUND A PLAN OF COMPROMISE. WITHOUT THIS HELP, IT IS APPARENT THAT THESE GROUPS STILL LACK THE STAMINA TO NEGOTIATE AND BECOME A VIABLE POLITICAL ALTERNATIVE. ON THE OTHER HAND, SOMOZA
SECRET

SECRET

PAGE 03 MANAGU 04022 02 OF 02 291803Z

USES THIS OPPOSITION IMPOTENCE TO BUY TIME IN THE HOPES THAT USG POLICY WILL BECOME MORE FAVORABLE (E.G., THROUGH CHANGE IN U.S. ADMINISTRATION) OR THAT THE INCREASED POLARIZATION WILL CAUSE THE MODERATE OPPOSITION TO AGAIN COME TO TERMS WITH HIM--THEREBY CONSOLIDATING HIS CONTROL.
SOLAUN

SECRET

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT REFORM, POLITICAL STABILITY, FORM OF GOVERNMENT, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 28 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MANAGU04022
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780352-1025
Format: TEL
From: MANAGUA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780818/aaaaaoru.tel
Line Count: 216
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d41af25a-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 12 jul 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1603946
Secure: OPEN
Status: NATIVE
Subject: AMBASSADOR'S CONVERSATIONS WITH POLITICAL LEADERS SUMMARY. RECENTLY, AMBASSADOR ENGAGED IN A SERIES OF CONVERSATIONS WITH LEADERS OF OPPOSITION AND GON.
TAGS: PINS, PINT, NU, (INCER BARQUERO, ROBERTO), (CHAMORRO, ALBERTO)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/d41af25a-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014